

106TH CONGRESS
1ST SESSION

H. R. 3451

To amend the Internal Revenue Code of 1986 to allow the unused portion of the low-income housing credit for buildings financed with tax exempt State bonds to be used for the construction of military housing in the State.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 1999

Mr. ABERCROMBIE introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow the unused portion of the low-income housing credit for buildings financed with tax exempt State bonds to be used for the construction of military housing in the State.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. UNUSED PORTION OF LOW-INCOME HOUSING**
2 **CREDIT FINANCED WITH TAX EXEMPT BONDS**
3 **USED FOR CONSTRUCTION OF MILITARY**
4 **HOUSING.**

5 (a) IN GENERAL.—Section 42 of the Internal Rev-
6 enue Code of 1986 (relating to low-income housing credit)
7 is amended by redesignating subsection (n) as subsection
8 (o) and by inserting after subsection (m) the following new
9 subsection:

10 “(n) QUALIFIED MILITARY HOUSING BUILDING.—
11 For purposes of this section—

12 “(1) IN GENERAL.—A qualified military hous-
13 ing building shall be treated as a new qualified low-
14 income housing building.

15 “(2) APPLICABLE PERCENTAGE AND QUALIFIED
16 BASIS.—The applicable percentage for the qualified
17 military housing building shall be determined under
18 subsection (b)(2) in a manner to yield the credit
19 amount described in subsection (b)(2)(B)(ii). The
20 qualified basis of such building shall be the basis de-
21 termined under subsection (d)(1).

22 “(3) QUALIFIED MILITARY HOUSING BUILD-
23 ING.—The term ‘qualified military housing building’
24 means military family housing or military unaccom-
25 panied housing located in the United States which is
26 constructed and used exclusively as military housing

1 (within the meaning of chapter 169 of title 10,
2 United States Code) at all times during the compli-
3 ance period.

4 “(4) MILITARY FAMILY HOUSING AND MILITARY
5 UNACCOMPANIED HOUSING.—The terms ‘military
6 family housing’ and ‘military unaccompanied hous-
7 ing’ have the same meanings as when used in sub-
8 chapter IV of chapter 169 of title 10, United States
9 Code.”.

10 (b) USE OF TAX EXEMPT BONDS FOR MILITARY
11 HOUSING PROJECTS.—

12 (1) IN GENERAL.—Subsection (d) of section
13 142 of such Code (relating to exempt facility bonds)
14 is amended by redesignating paragraph (7) as para-
15 graph (8) and by inserting after paragraph (6) the
16 following new paragraph:

17 “(7) SPECIAL RULE FOR QUALIFIED MILITARY
18 HOUSING PROJECTS.—For purposes of paragraph
19 (1)—

20 “(A) IN GENERAL.—A qualified military
21 housing project shall be treated as a qualified
22 residential rental project.

23 “(B) QUALIFIED MILITARY HOUSING
24 PROJECT DEFINED.—The term ‘qualified mili-
25 tary housing project’ means a project for mili-

1 tary family housing or military unaccompanied
2 housing located in the United States which is
3 constructed and used exclusively as military
4 housing (within the meaning of chapter 169 of
5 title 10, United States Code) at all times dur-
6 ing the qualified project period.”.

7 (2) PRIORITY AMONG RESIDENTIAL RENTAL
8 HOUSING PROJECTS.—Section 146 of such Code (re-
9 lating to the volume cap) is amended by adding at
10 the end the following new subsection:

11 “(n) PRIORITY AMONG RESIDENTIAL RENTAL HOUS-
12 ING PROJECTS.—An issuer shall not allocate an amount
13 for a qualified military housing project (within the mean-
14 ing of section 142(d)(7)) for a year unless the issuer cer-
15 tifies that such amount is not needed for residential rental
16 projects that are not qualified military housing projects
17 for that year.”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to buildings placed in service and
20 bonds issued after December 31, 1999.

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